

EDITORS & CORRESPONDENTS:

New Entrant Carrier Background Information

On January 1, 2003, the U.S. Department of Transportation's (DOT) Federal Motor Carrier Safety Administration (FMCSA) makes effective new, stricter minimum requirements to improve the safety performance of new U.S. and Canadian entrant motor carriers by ensuring they are knowledgeable about applicable federal motor carrier safety standards.
<http://www.fmcsa.dot.gov/contactus/press/2002/073102.htm>

Applicants will be required to demonstrate knowledge of safety regulations through an application process and will undergo an on-site safety audit within the first 18 months of operations before receiving permanent operating authority. Carriers failing to demonstrate basic safety management controls during the 18-month period will be denied permanent operating authority.

New entrants must certify that they will comply with applicable requirements covering driver qualifications, hours of service, controlled substance and alcohol testing, vehicle condition, accident monitoring, and hazardous materials transportation.

Listed below is an explanation of the rule in question and answer format:

Q: What are the requirements of this rule?

A: All new entrant motor carriers must complete an application package consisting of a MCS-150, and a MCS-150A. This application may be completed on-line at www.fmcsa.dot.gov, or by contacting our headquarters office at (800) 832-5660 and requesting an application mail. For-hire motor carriers must complete an OP-1, or OP-1(P), the BOC-3, and pay a \$300.00 filing fee. Private, and exempt for-hire carriers will not be required to pay any fee. Once the application package is completed, the carrier will be granted new entrant registration (USDOT number).

After being issued a new entrant registration, the carrier will be subject to an 18-month safety-monitoring period. During this safety-monitoring period, the carrier will receive a safety audit and have their roadside crash and inspection information closely evaluated. The carrier will be required to demonstrate it has the necessary systems in place to ensure basic safety management controls. Failure to demonstrate basic safety management controls may result in the carrier having their new entrant registration revoked.

Q: Who is subject to this rule?

A: Beginning January 1, 2003, all motor carriers (private and for-hire) operating in interstate commerce must apply for registration (USDOT Number) as a "new entrant."

Q: What happens after the 18-month new entrant registration?

A: The carrier will be notified in writing that the "new entrant" designation will be removed from their registration at the end of the 18-month safety-monitoring period, if the carrier meets the following requirements:

- a) The new entrant has passed a safety audit, or has not been deemed “unfit” following a compliance review; and
- b) The new entrant does not have any outstanding civil penalties.

Q: Where will these safety audits be conducted?

A: The safety audits will primarily be conducted on-site at the carrier’s principle place of business. However, some safety audits may be conducted at other locations.

Q: Where can carriers get more information?

A: Carriers can get educational and technical assistance packages on-line at www.fmcsa.dot.gov. Carriers without Internet access will need to contact J.J. Keller at (800) 327-6868 to purchase a copy of the educational and technical assistance package.

Q: When does this rule go into effect?

A: The rule becomes effective January 1, 2003.

Q: When will safety audits be conducted?

A: New entrant motor carriers can expect to start receiving safety audits 3-6 months after they are granted new entrant registration.

Q: Why were these rules created?

A: Congress required the FMCSA to establish minimum requirements for new motor carriers seeking federal interstate operating authority. These minimum requirements include having the carrier certify that it has systems in place to ensure compliance with the Federal Motor Carrier Safety Regulations, and a safety audit conducted within the first 18 months of the carrier’s interstate operation.

Q: How will the safety audit be conducted?

A: The safety audit will be conducted by a State or Federal Auditor and will consist of a review of the carrier’s safety management system. The areas of review include, but are not limited to, the following:

- a) Driver Qualifications;
- b) Driver Duty Status;
- c) Vehicle Maintenance;
- d) Accident Register; and
- e) Controlled Substances and Alcohol use and testing requirements.

Q: How will the FMCSA notify a carrier of their safety audit results?

A: FMCSA will notify the carrier in writing of the results of the safety audit within 45 days from the date it was completed.

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